



Fraud, Waste and Abuse Protection and Prevention Program

Presentation to: Exchange Board of Trustees

A service of Maryland Health Benefit Exchange

Maryland Health Benefit Exchange Act of 2012 requires the MHBE to establish a full-scale fraud, waste and abuse protection and prevention program(Md. Insur. Code Ann. § 31-119(b):

- ✧ Ensure compliance with federal and State laws for the detection and prevention of fraud, waste, and abuse, including whistleblower and confidentiality protections and federal anti-kickback prohibitions; and
- ✧ Promote transparency, credibility, and trust on the part of the public in the integrity of its operations.

Maryland Health Benefit Exchange Act of 2012 requires the MHBE issue a report on or before December 1st to the Secretary, the Governor and General Assembly on its fraud, waste and abuse protection and prevention program (Md. Insur. Code Ann. § 31-119(d))

Maryland Health Benefit Exchange Act of 2012 requires the MHBE fraud, waste and abuse protection and prevention program(Md. Insur. Code Ann. § 31-119(d)):

- ✧ Establish a framework for internal controls;
- ✧ Identify control cycles;
- ✧ Conduct risk assessments;
- ✧ Document processes; and
- ✧ Implement controls.

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Potential areas of concern for fraud, waste and abuse:

- ✦ Medicaid Eligibility Determinations
- ✦ Advanced Premium Tax Credits (APTCs) and Cost Sharing Reductions (CSRs) Determinations

Obtaining Benefit by Fraud (Md. Crim. Code Ann. § 8-514)

A person may not knowingly and willfully obtain, attempt to obtain, or aid another individual in obtaining or attempting to obtain a drug product or medical care, the payment of all or a part of which is or may be made from federal or State funds under a State health plan, by:

- ✧ fraud, deceit, false representation, or concealment;
- ✧ counterfeiting or alteration of a medical assistance prescription or a pharmacy assistance prescription distributed under a State health plan;
- ✧ concealment of a material fact; or
- ✧ using a false name or a false address.

Office of the Inspector General(Md. Health-General Code Ann. § 2-503):

- ✧ May investigate fraud, waste, and abuse of departmental funds;
- ✧ Shall cooperate with and coordinate investigative efforts with the Medicaid Fraud Control Unit and where a preliminary investigation establishes a sufficient basis to warrant referral, shall refer such matters to the Medicaid Fraud Control Unit; and
- ✧ Shall cooperate with and coordinate investigative efforts with departmental programs and other State and federal agencies to ensure a provider is not subject to duplicative audits.

Next Steps



- ✧ MHBE is beginning to work with OIG on a MOU to oversee the Exchange's fraud, waste and abuse protection and prevention program.
- ✧ Key issue consist of:
 - determining the number of FTEs OIG will need; and
 - whether OIG will be responsible for potential APTC or CSR fraud.

- ✦ Still awaiting guidance from CCIIO regarding fraud, waste and abuse program.
- ✦ Seeking guidance from CCIIO regarding the treatment of APTC and CSR determinations.

Additional Suggestions:

- ✦ In reviewing the State Update State Corporate Compliance Plan, MHBE is not mentioned. Should language be added to address the new role of the Exchange?
- ✦ Navigators will be responsible for making Medicaid eligibility determinations. Should fraud, waste and abuse material be included in their training.

- ✧ Send report to the General Assembly
- ✧ Continue development of MOU with OIG
- ✧ Analyze and incorporate CClIO guidance
- ✧ Consider incorporation of MHBE in DHMH corporate compliance efforts
- ✧ Incorporate fraud, waste and abuse prohibition in training materials.

Thank you!

For questions on the information
contained in this presentation, please contact:

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Appendices